

Forward Plan reference number: FP/465/06/19

Report title: Land for Housing Development in Maldon	
Report to: Councillor Gagan Mohindra, Cabinet Member for Finance, Property and Housing	
Report author: Gwyn Owen, Head of Essex Housing Tel: 033301 36120 Email: Gwyn.Owen@essex.gov.uk	
Date: December 2019	For: Decision
Enquiries to: Simon Maidment – Development Operations Manager Tel: 07917 721205 email: simon.maidment@essex.gov.uk	
County Divisions affected: Maldon	

Confidential Appendix

This report has a confidential appendix which is not for publication as it includes exempt information falling within paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended.

1. Purpose of report

- 1.1. This paper seeks approval to draw down funding to progress a scheme from due diligence to full planning permission application at Primrose Meadows, Maldon (the Site) to full planning determination stage (the Project).
- 1.2. A further report will follow to agree the next steps if planning permission is granted on the Site.

2. Recommendations

Councillor Gagan Mohindra, Cabinet Member for Finance, Property and Housing

- 2.1. To approve the total of £1,102,508 to be brought forward from the existing 2019/20, 2020/21 and 2021/22 budget for Essex Housing and to be added to the capital programme for 2019/20, 2020/21 and 2021/22.
- 2.2. To approve £105,839 in 2019/20 to be added to the capital programme, to be drawn down from the existing budget for Essex Housing.
- 2.3. To approve £942,488 in 2020/21 to be added to the capital programme, to be drawn down from the existing budget for Essex Housing.
- 2.4. To approve £54,181 in 2021/22 to be added to the capital programme, to be drawn down from the existing budget for Essex Housing.

2.5. To agree the drawdown from the Transformation Reserve of Revenue costs of £5,714 in 2019/20, £17,143 in 2020/21 and £2,857 in 2021/22.

2.3 To agree to commit £1,102,508 capital and £25,714 revenue to progress the Project by March 2021 which includes detailed design, planning, technical design, contractor tender, site preparatory works and Essex County Council (ECC) internal costs.

3. Background and proposal

3.1. The Site of (3.03 HA) is of close proximity to the centre of Maldon. The site comprises 1.40 HA owned by ECC and 1.63 HA currently owned by the Plume Academy. The land owned by the Plume Academy ECC are considering purchasing the site subject to satisfactory planning, due diligence and governance.

3.2. The Site will provide a mix of good quality private and independent living for older people units which are much needed in the locality. The proposed development is for 132 residential units - 72 private and 60 affordable Independent Living units for Older People (ILOP)

3.3. Stanley Bragg have been engaged with ECC providing professional advice and guidance including undertaking capacity studies to show the number of units that could fit on the Site, build costs have been provided by Oxbury Chartered Surveyors and financial appraisals of the development and marketing advice on units have been provided by Strutt and Parker.

3.5 A range of due diligence has already been undertaken which includes amongst other things capacity studies and planning reports as part of initial feasibility investigations. This did not indicate any particular issues with the development. More detailed due diligence will be undertaken as part of the design and planning phase.

3.6 This additional due diligence and Site preparation activity will include the finalisation of the full design of the Site and completion of the planning application process. ECC will look at utilising expertise in house, however, it might be necessary in formalising the design that additional resources, for example additional surveys or due diligence are required. These will be procured through ECC's Request for Quote process, in accordance with ECC's Procurement Policy. Appointments will be done by the Development Operations Manager or equivalent in accordance with ECC's Financial Delegations.

3.7 As part of informing ECC's decision making on the future of the Site following planning permission being obtained, ECC will engage the market via an OJEU complaint procurement process to obtain a price and identify a contractor for the construction of the Site, based on the final design developed by ECC. This price will enable ECC to more accurately predict the investment required should it wish to proceed to fully develop the Site. This procurement exercise

and decision to award a contract will be subject of a further report in due course.

- 3.6. ECC's Essex Housing team will manage the Project. The key milestones as follows:

Milestone Description	Target Date
Design Team Appointed	Feb 2020
Detailed design and planning application preparation	August 2020
Planning permission secured (Inc. s106 negotiations)	December 2020
Technical design and Contractor tender complete	May 2021
Decision to decide on development/disposal	June 2021

- 3.7 Various options were considered in the creation of the business case and these options have been outlined below.

4. Options

- 4.1.1 The following options have been considered in detail:

- 4.2 Option 1 – The development by Essex Housing of a 132 residential unit, 72 private and 60 affordable independent living for older people units. This is the preferred option, as this will provide the most economical return on ECC's investment and will assist in satisfying the housing gap in Maldon, and will assist Maldon Council in meeting the obligations under their local plan.

Option 2 – The development by Essex Housing of a 92 residential unit, including 38 affordable units. This is not being proposed at this time as it does not provide the Independent Living for Older People units.

5. Next Steps

- 5.1 ECC will continue to work with the Site and progress its planning application with Maldon Council. Once planning has been obtained, a further report will be brought to consider whether ECC wish to embark on the development of the Site and therefore seek to appoint a contractor, or to sell the Site at that stage.

6. Consideration of Implications

6.1. Financial Implications

- 6.1.1. £105,839 will be added to the capital programme for 2019/20, £942,488 in 2020/21 and £54,181 in 2021/22 with the project cost being drawn down from existing Essex Housing capital programme allocation.
- 6.1.2. To agree the drawdown from the Transformation Reserve of Revenue costs of £5,714 in 2019/20, £17,143 in 2020/21 and £2,857 in 2021/22.

- 6.1.3. Given commercial sensitivity, the financial implications associated with this project are set out in the confidential appendix.

6.2 Legal Implications

- 6.2.1 ECC has the power under the Local Government Act 1972 to acquire land and power under the Local Authorities (Land) Act 1963 to develop land for the improvement or development of its area. The aim of this scheme relate principally to ensuring that housing is available to meet the needs of Essex residents.
- 6.2.2 Any future building contract will need to be procured in accordance with the Public Contracts Regulations 2015, and will be part of a future decision by the Cabinet Member once planning approval has been obtained.

7. Equality and Diversity implications

- 7.1 Section 149 of the Equality Act 2010 creates the public sector equality duty which requires that when ECC makes decisions it must have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act
 - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 7.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.
- 7.3 An initial equality impact assessment carried out on 20 August 2018, indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic and a section 2 Equality Impact Assessment is not considered necessary.

8. List of Appendices

- 8.1 Confidential Appendix
- 8.2 Equality Impact Assessment

9. List of background papers

9.1 None

I approve the above recommendations set out above for the reasons set out in the report.	Date
Councillor David Finch, Leader of the Council	10.12.19

In consultation with:

Role	Date
Executive Director for Finance and Technology (S151 Officer)	25.09.19
Nicole Wood	
Monitoring Officer	
Laura Edwards on behalf of	29.09.19
Paul Turner	